

TERM SHEET REGARDING GENERAL IRON/RMG INTERIM OPERATING PLAN,
CESSATION OF NORTHSIDE OPERATIONS AND SOUTHSIDE TRANSITION.

Pertinent Parties. The City of Chicago, Illinois, acting through its Departments of Buildings, Business Affairs and Consumer Protection, Health, Planning and Development, Transportation and Law, and the 2nd and 10th Ward Aldermen (the "City").

General Iron Industries, Inc. ("GI"), and General Metals, LLC and affiliated entities ("GM," and together with GI, "General Iron") and RMG Investment Group, LLC and affiliated entities ("RMG").

Background. General Iron currently conducts metal recycling operations (the "Business") on the properties listed in Exhibit A attached hereto ("Northside Properties"). RMG currently conducts metal and electronics recycling, stevedore and shipping operations at 11600 South Burley Avenue, Chicago, Illinois ("Southside Property"). RMG intends to purchase the Business and substantially all the assets of General Iron in 2019. Upon the closing of that transaction with RMG, General Iron will cease its participation in the Business.

Commitments.

- (1) RMG and General Iron will cease all metal recycling operations (except for sorting of residual recycled non-ferrous metal) at the Northside Properties no later than December 31, 2020 ("Cessation Date"). RMG intends to transition to a new metal recycling operation to be developed within the Southside Property ("General III Southside Site"). General Iron and RMG will commence decommissioning of the Northside Properties on January 2, 2021 (with no pile of raw, unprocessed material higher than the 12-foot block wall parallel to Kingsbury Street on that date), will remove all recyclable or recycled material by January 10, 2021, and will complete decommissioning no later than March 31, 2021. As used herein, "decommissioning" means RMG's and General Iron's permanent and complete removal of all recyclable or recycled material and associated machinery and other equipment from, and General Iron's demolition and removal of the buildings on, the Northside Properties.
- (2) On or before November 20, 2020, RMG or General Iron will prominently post signage at the entrances to the Northside Properties where recyclable materials are delivered, stating that the Northside Properties will no longer be accepting any recyclable materials after December 31, 2020.
- (3) General Iron and RMG will comply with all applicable current and future ordinances, consent orders and decrees, licenses, permits, rules and regulations at the Northside Properties, and RMG will similarly comply at the General III Southside Site.
- (4) Until the Cessation Date, General Iron and RMG will, at their sole expense, provide a person to control traffic at the North Avenue driveway during morning and evening rush hours (7 a.m. to 9:30 a.m. and 4:00 p.m. to 6:30 p.m.) to mitigate any traffic congestion, will manage truck traffic on Kingsbury Street to avoid inconvenience to neighboring businesses, will adhere to standard hours of operation for shredding operations (7 a.m. to 9 p.m.), and will not degrade any current emissions controls during remaining Northside Properties operations.


(5) The City will reasonably cooperate with RMG in achieving the efficient, expeditious transition of the Business to the Southside Properties, including reasonable assistance with processing and review of license and permit applications, and scheduling of public hearings.

(6) Each of the Pertinent Parties will use best efforts to manage issues of concern and differences of opinion through face-to-face discussions, and towards that end, will (A) meet at the request of any Pertinent Party no less than once every 60 days, and (B) use best efforts to engage in public discourse that is fact-based and reasonable.

(7) The City will (i) enforce its ordinances, rules, regulations, licenses, permits and policies as necessary to protect the public health and safety and welfare, applying such enforcement neutrally and consistently to General Iron, RMG, and other metal recycling facilities in the City, and (ii) allow General Iron and RMG to retain the benefit of licenses, permits, allowances, or accommodations currently issued to them to enable them to continue to operate at the Northside Properties until the Cessation Date, subject to compliance by General Iron and RMG with all applicable City laws, rules, and requirements.

ACKNOWLEDGED AND DATED:

THE CITY OF CHICAGO

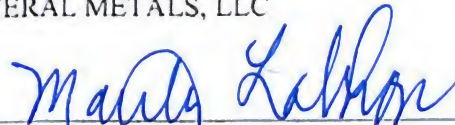
By: 
Mark A. Flessner
Corporation Counsel

9/9/19

GENERAL IRON INDUSTRIES, INC.

By:  9/10/19
Adam Labkon, Vice President

GENERAL METALS, LLC

By:  9/10/19
Marilyn Labkon, Manager

RMG INVESTMENT GROUP, LLC


By:  9/10/19
Steven Joseph, President

EXHIBIT A
PROPERTIES

1901 N. Clifton Avenue, Chicago, IL
1910 N Clifton Ave, Chicago, IL
1909 N Clifton Ave, Chicago, IL
1842 N Kingsbury St, Chicago, IL
1225 W Cortland St, Chicago, IL
1936 N Clifton Ave, Chicago, IL
1333 W Cortland St, Chicago, IL
1401 W Cortland St, Chicago, IL
1912 N Kingsbury St, Chicago, IL
1259 W Cortland St, Chicago, IL
1910 N Clifton Ave, Chicago, IL
1323 W Cortland St, Chicago, IL
1335 W Cortland St, Chicago, IL
1333 W Cortland St, Chicago, IL
1339 W Cortland St, Chicago, IL
1459 N Magnolia Ave, Chicago, IL
1441 N Magnolia Ave, Chicago, IL
1425 N Magnolia Ave, Chicago, IL
1415 N Magnolia Ave, Chicago, IL
1401 N Magnolia Ave, Chicago, IL
1405 N Elston Ave, Chicago, IL
1646 N Kingsbury St, Chicago, IL
1626 N Kingsbury St, Chicago, IL
1600 N Kingsbury St, Chicago, IL
1110 W North Ave, Chicago, IL
1648 N Kingsbury St, Chicago, IL
1642 N Kingsbury St, Chicago, IL
1640 N Kingsbury St, Chicago, IL
1652 N Kingsbury St, Chicago, IL
1656 N Kingsbury St, Chicago, IL
1704 N Kingsbury St, Chicago, IL
1680 N Kingsbury St, Chicago, IL
1668 N Kingsbury St, Chicago, IL
1656 N Kingsbury St, Chicago, IL
1718 N Kingsbury St, Chicago, IL
1866 N Marcey St, Chicago, IL
1868 N Marcey St, Chicago, IL
1800 N Kingsbury St, Chicago, IL

Cc:

Brian Hopkins – Alderman, 2nd Ward

Susan Sadlowski Garza – Alderman, 10th Ward

Judith Frydland – Commissioner, Department of Buildings

Rosa Escareno – Commissioner, Department of Business Affairs and Consumer Protection

Allison Arwady, M.D. – Acting Commissioner, Department of Health

Eleanor Gorski – Acting Commissioner, Department of Planning and Development

Tom Carney – Acting Commissioner, Department of Transportation